Ministry of the Economy

2014-15 Annual Regulatory Modernization Progress Report

saskatchewan.ca

Government of Saskatchewan

Table of Contents

Letters of Transmittal 3

Introduction 4

Enhancing Customer Service and Opportunity 5

Ministry of Agriculture 5

Ministry of Government Relations 5

Ministry of Health 6

Ministry of Social Services 7

Saskatchewan Government Insurance 8

Saskatchewan Liquor and Gaming Authority 8

SaskEnergy 9

Expanding Regulatory Transparency and Accountability 9

SaskBuilds 9

SaskEnergy 11

Workers' Compensation Board 12

Expanding Online Tools and Solutions 12

Ministry of the Agriculture 12

Ministry of the Economy 13

Saskatchewan Liquor and Gaming Authority 13

Regulatory Streamlining 13

Ministry of Advanced Education 13

Ministry of Agriculture 14

Ministry of the Economy 15

Ministry of Environment 16

Ministry of Government Relations 17

Saskatchewan Government Insurance 17

SaskEnergy 18

Saskatchewan Water Security Agency 18

Supporting the Adoption of a Flexible and Modern Regulatory Framework 18
Ministry of the Economy 18
Ministry of Education 19
Ministry of Environment 19
Ministry of Government Relations 22
Ministry of Labour Relations and Workplace Safety 24
Saskatchewan Water Security Agency 24
Building Capacity of Regulatory Modernization 25
Ministry of the Economy 25
Ministry of Environment 25
Ministry of Government Relations 26
Saskatchewan Government Insurance 26
Conclusion 27
For More Information 29

Letters of Transmittal

Her Honour, the Honourable Vaughn Solomon Schofield
Lieutenant Governor of Saskatchewan

May it Please Your Honour:

I respectfully submit the Annual Regulatory Modernization Progress Report of the Ministry of the Economy for the fiscal year ending March 31, 2015.

The Honourable Jeremy Harrison
Minister Responsible for Immigration, Jobs, Skills and Training

The Honourable Jeremy Harrison
Minister Responsible for Immigration, Jobs, Skills and Training

Dear Sir:

I am pleased to submit the Annual Regulatory Modernization Progress Report of the Ministry of the Economy for the fiscal year ending March 31, 2015. This report has been prepared and carefully reviewed under my direction, and accurately represents the activities and accomplishments of government ministries, agencies and Crown corporations during the year.

Laurie Pushor
Deputy Minister of the Economy

Introduction

A strong economy is built upon a smart regulatory foundation. Effective, efficient and revelant regulations protect public health, safety, workers and the environment and allow businesses to compete, innovate and prosper, benefiting all Saskatchewan residents. However, regulatory measures often wander outside of these parameters with unintended red tape consequences including the creation of barriers and irritants to business.

Red tape can add unnecessary costs to business operations by reducing available time and resources to invest and grow a business. The government is committed to ensuring all new regulations developed follow regulatory best practices, and existing regulations are reviewed at least once every 10 years to ensure they remain relevant and streamlined. Smart regulation is key to achieving the many goals set out in the Saskatchewan Plan for Growth.

The Government of Saskatchewan reinforced its commitment to modernize Saskatchewan's regulations by enacting *The Regulatory Modernization and Accountability Act* and *The Regulatory Modernization and Accountability Regulations* in the fall of 2013. The new legislation requires this report to be tabled in the legislature annually as a visible reminder of the work being done across government to reduce red tape.

In January 2014, Cabinet approved the implementation of The Red Tape Reduction Action Plan (the Plan) to guide government's actions to ensure an effective and efficient regulatory system is in place.

Under the Plan, all business regulations being developed or amended will be required to adopt a more rigorous approach in identifying and addressing red tape concerns as part of the regulatory impact assessment process. The regulatory impact assessment will task ministries, agencies and Crown corporations with identifying the direct costs and cost savings associated with the proposed introduction of new or significantly amended regulations.

In this year's report, you will see the strides made by government over the past year to reduce red tape and barriers to business, helping Saskatchewan's economy remain one of the strongest and most vibrant in the country.

Regulatory modernization is about continuous improvement. It requires constant vigilance to ensure flexible, responsive and streamlined regulations are developed and maintained on an ongoing basis.

In the coming year, the Ministry of the Economy will continue to work with all ministries, agencies and Crown corporations to modernize Saskatchewan's regulatory system.

Progress in 2014-15

ENHANCING CUSTOMER SERVICE AND OPPORTUNITY

Ministries, Crowns and agencies across government have made regulatory improvements to enhance customer service delivery and create new opportunities for growth in the province. Several of these were initiatives that eliminated non-value-added activities required of government and clients, thereby reducing time and improving service. The following are some initiatives that were implemented this year to enhance customer service:

Ministry of Agriculture

The Farm Business Development Initiative (FBDI) under Growing Forward 2

The previous FBDI application process was labour intensive from a ministry and client standpoint. The client completed a paper copy of the Taking Stock self-evaluation to determine which of the eight areas of farm business management required improvement. After completing the Taking Stock evaluation, the client arranged to meet with a Farm Business Development Specialist to create a Farm Development Plan (FDP).

After the FDP was completed, clients could submit applications for approved training or consulting. Once the work/training had been completed, evidence of payment had to be submitted to receive partial reimbursement. All of these activities were done manually, using either paper or fillable PDF forms.

The initiative leaned the FBDI application process by:

- Making documents such as Taking Stock, the Farm Development Plan and application forms available 24/7;
- Making the Taking Stock document and application form fillable online without the support of ministry staff;
- Linking the web interface to Regional Services Branch client management software (SalesLogix), therefore significantly reducing clerical work of data entry; and
- Streamlining the communication between clients and regional representatives to arrange an FDP preparation meeting. In general, a more transparent and easy to follow process was sought.

"One window" approach for applications

Many organizations such as the Saskatchewan Pulse Growers, the Saskatchewan Canada Development Commission and Western Grains Research Foundation were conducting their own calls for proposals for research projects, in addition to the Agriculture Development Fund (ADF) call for proposal process. This caused a significant duplication of work among all of the various organizations. Also, when organizations conducted their own calls for proposals, there was the possibility of duplication in project funding.

The new process includes notifying researchers that their funding request (with their consent) will be shared with ADF funding partners, encouraging researchers to work closely with funding partners to co-ordinate research priorities. Ministry staff then work closely with co-funding organizations to co-ordinate notification of the applicant, drafting research contracts, synchronizing milestones and reporting requirements.

Quote from the Western Grains Research Foundation (WGRF) Board Chair Dave Sefton in Agriculture Minister Lyle Stewart's January 15, 2015, press release: "We appreciate the opportunity to collaborate with the federal and provincial governments in order to maximize the benefit of producer research investments."

Ministry of Government Relations

New Local Government Election Act

Local election legislation has for many years had separate provisions governing elections for urban and rural municipalities. Provisions regarding election processes are largely similar, with a few substantive differences. Unnecessary duplication and minor inconsistencies between the two sets of provisions made the current Act complicated and difficult to use, particularly for administrators running elections in both types of municipalities.

A rewritten Act was passed by the legislature in May 2015. It combines the urban and rural provisions. The Act has been reduced from 114 pages to 75 pages (or about one-third), most provisions are standardized (except where differences are warranted) and wording is updated and simplified throughout. As a result, the Act will be much easier to use and understand by municipal administrators, candidates, election officials and voters wanting to find out standards and procedures for municipal elections.

The Local Government Election Act, 2014 will come into force in the summer of 2015 once the accompanying regulations have been updated and adjusted to support the new Act.

The legislative amendments support enhanced customer service by making the Act more user friendly for administrators running elections, other election officials, as well as voters and petitioners interested in learning more about the legislated standards and procedures for local elections.

The Provincial Disaster Assistance Program (PDAP) – Eliminating 10-year average gravel form as a requirement for municipal claims

To assess extraordinary gravel usage for municipal claims, municipalities were required to provide a 10-year gravel average form to determine extraordinary gravel usage for the disaster event. The form caused a great deal of confusion for municipalities because the purpose of the form was unclear and would create unreasonable expectations of the amount of gravel costs that PDAP could reasonably reimburse to the municipalities.

The 10-year gravel average form did not add value to the claim file during federal audit for cost recovery and may negatively impact cost recovery.

In an effort to reduce confusion with municipalities and manage claimant expectations, the requirement for municipalities to submit the 10-year gravel average form was eliminated. PDAP now requires that municipalities submit extraordinary gravel costs that have been assigned specific disaster project sites. The new requirement of assigning extraordinary gravel to specific disaster project sites better aligns with the federal Disaster Financial Assistance Arrangements (DFAA) guidelines to enhance the province's possibility of cost recovery.

The Provincial Disaster Assistance Program (PDAP) – Fast Track Payment initiative

Following the damage assessment, eligible private claimants were previously required to complete a payment option form and send it to PDAP for processing, which regularly consumed several weeks in mailing, administration and processing time. Subsequent payments may have then been separated into four categories: advance, as repairs were completed, progress and/or final payments, which typically added additional weeks or even months to claim closures.

The public acceptance of the fast track payments was demonstrated in 2014, as less than 1 per cent of claimants opted to receive payment on their 2014 flood claims based on invoices. The fast track process allows claimants to do their repairs on their time lines and allows payment to be made weeks and months sooner.

As this initiative has now been in place for two full years, further process improvements have been made. These include identifying claims where emergency payments are required (e.g. furnaces) and making payment on these a priority as well as requesting more and better details on adjuster reports to ensure claimants receive full compensation.

Ministry of Health

The Drug Schedules Regulations, 1997

The Drug Schedules Regulations, 1997 have provisions that allow Saskatchewan pharmacists to dispense medications prescribed by several health professions (e.g., physicians and dentists) from other jurisdictions. Before the amendments were made, nurse practitioners were not included.

Alberta recently changed its model of follow-up care for cancer patients. The new model allows nurse practitioners to do follow-up care, which includes prescribing medications for cancer patients. This change makes it possible for

patients living in Saskatchewan (particularly those living in Lloydminster on the Saskatchewan side) to receive follow-up care from Alberta nurse practitioners. As a result, there has been an increase in prescriptions issued by nurse practitioners from Alberta for cancer patients living in Saskatchewan.

The amendments to the regulations allow Saskatchewan pharmacists to fill prescriptions provided to Saskatchewan residents by nurse practitioners from another jurisdiction in Canada.

Ministry of Social Services

The Benefit Adjustment Regulations

The Child Benefit Adjustment (CBA), authorized under *The Benefit Adjustment Regulations*, was introduced as a transitional program to ensure parents did not receive less support for their children than prior to the introduction of the National Child Benefit Supplement (NCBS) in 1998. CBA-eligible families included those with high income levels in the previous year, a newborn child or a child returning from care or custody, and those experiencing family separations.

After 15 years of caseload declines, the CBA has been completely phased out. *The Benefit Adjustment Regulations* were repealed March 31, 2015.

With the repeal of *The Benefit Adjustment Regulations*, regulatory amendments were made to authorize a transition benefit for children (TBC) to create a comparable allowance through the Saskatchewan Assistance Program (SAP) or the Saskatchewan Assured Income for Disability (SAID) program. Benefits are more easily accessed by families as they no longer apply to two separate programs (i.e., CBA and SAP or SAID) and more efficient for the ministry to manage, fulfilling a recommendation emanating from a 2013 core program review of CBA.

The Saskatchewan Assistance Regulations, 2014

The Saskatchewan Assistance Regulations were introduced in April 1966. The Legislation and Regulation Review Committee instructed the ministry to simplify the regulations and bring them to modern legislative drafting standards. *The Saskatchewan Assistance Regulations, 2014* came into force March 1, 2015.

The revised regulations were streamlined to remove provisions that are no longer relevant, are authorized by other legislation or are managed by policy. Other amendments are administrative in nature and some outdated provisions were not replaced. Examples include:

- Deletion from the regulations of those definitions contained in *The Saskatchewan Assistance Act*;
- Addition or slight modification of a number of definitions to provide greater clarity;
- Inclusion of income and asset exemptions previously authorized by Minister's Order; and
- Repeal of sections (16) pertaining to the manner of paying assistance and (17) prorating benefits where application is made after the first of any month. The Provincial Comptroller recommended these items be address through policy.

The Saskatchewan Assured Income for Disability Regulations, 2012

- The addition of new eligibility conditions to *The Saskatchewan Assistance Regulations, 2014* and *The Saskatchewan Assured Income for Disability Regulations, 2012*, for the issuance of the TBC noted above, including the ability for the ministry to recover TBC benefits in some instances where the federal government provides retroactive child benefits.
- The review period for disposal of income and assets was reduced to six months (previously two years) prior to application for SAP benefits, aligning with review periods for SAID and Transitional Employment Allowance (TEA) programs. This change also recognizes that most new applicants have very limited financial resources at the time they apply for benefits.

- Residency requirements have been introduced to provide clarity around eligibility, along with provisions to allow flexibility to provide benefits, in special circumstances, to those who do not satisfy residency requirement (e.g., where the applicant or their dependant requires medical treatment and is unable to leave the province, or dies in Saskatchewan and lacks the financial resources to pay for a funeral).
- Two new income exemptions acknowledge the added costs of education for individuals with disabilities. The regulations exempt include:
  - The amount of a Canada Student Grant for Persons with Permanent Disabilities paid to the individual; and
  - The amount of a Canada/Saskatchewan Student Grant for Services and Equipment for Persons with Permanent Disabilities paid to the individual.

Saskatchewan Government Insurance (SGI)

Insurance Verification

Every time a new commercial carrier registered a vehicle, SGI sent out a letter requesting verification that the carrier had obtained the commercial auto extension policy required by legislation. If the carrier did not respond, they could be refused registration of any more vehicles. SGI CANADA, the competitive arm of SGI, insures the majority of the commercial auto business in Saskatchewan, so instead of having the carrier complete extra paper work by submitting this documentation, SGI now just verifies internally with SGI CANADA that the carrier has the appropriate insurance.

Saskatchewan Liquor and Gaming Authority (SLGA)

Regulatory Service Charges

Over the past year, SLGA's Regulatory Services Division made several changes intended to meet SLGA's continuous improvement strategy and improve customer service, including:

- Implementing new workflows within liquor licensing and charitable gaming to reduce touch points, resulting in increased efficiency and decreased customer wait times;
- Approving new policy to allow gaming employees to work in more than one gaming area. Prior to the new policy coming into effect, a casino employee, for example, could only work in the one position for which he or she was registered. The change allows such employees to move within different areas of the casino, for example, a part-time card dealer can also work in hospitality. This allows casino operators to better use the resources they have available and provides casino employees with increased opportunity. The change also impacts other gaming businesses, such as bingo halls.

Beer Keg Distribution

In March 2015, SLGA hosted a value stream mapping session with a number of commercial permittees (e.g., bars, taverns, restaurants) to seek improvements in processes for the ordering and delivery of special order beer kegs.

Implementation of a direct delivery model for the distribution of beer kegs is in progress. The six-month implementation plan includes 13 specific goals including: reducing the length of time to receive a special order to within 48 hours of submission; direct delivery of kegs to high-volume bars and restaurants, thus eliminating the need for permittees to pick up kegs from an SLGA retail store (allowing SLGA stores to focus on the service needs of retail customers); and transitioning 74 per cent of special order kegs to a direct delivery model; creation of a supplier scorecard; reducing picking and shipping errors by 50 per cent within six months; and begin warehousing 50 per cent of high-volume kegs in order to reduce the overall ordering process by 20 per cent, (from current five business days to four days).

In addition, the direct delivery model will increase efficiency in the SLGA distribution system (directly delivered kegs no longer have to be transported and unloaded at the store in order to be reloaded for the customer) while improving customer service, as noted above.

SaskEnergy

Four Party Joint Service Installation

To support the provincial economy and enhance customer service, SaskEnergy, SaskPower and SaskTel continue to refine and broaden the application of a 'joint service installation' approach for urban residential home builders. This collaborative approach achieves efficiencies and addresses challenges associated with space constraints for new lots.

The four party service line installation methods required streamlining efforts, as individual utilities were conducting separate installation in separate trenches (natural gas, electrical, communications and cable television). Process improvements were identified to better serve customer needs in new urban subdivisions.

This joint service approach has been successfully piloted for new urban residences in Regina and Saskatoon. Recent progress in this initiative includes a joint SaskPower/ SaskEnergy online application, launched in February 2015, which allows builders and customers to apply online for urban residential service at either SaskEnergy or SaskPower. As well, a joint service installation program was expanded in nearby communities around Regina and Saskatoon, such as Dalmeny, Warman and Martensville, for urban residential services. Four Party Joint Service Installation has served to streamline and improve the installation of utility services in new urban subdivisions. It has also enhanced service co-ordination and better meets the needs of land developers. As part of this project, SaskEnergy has eliminated winter rates for urban residential services provincially. Savings from the Joint Service initiative have enabled the corporation to introduce a blended rate, resulting in SaskEnergy maintaining the $300 charge per customer for an urban residential service and reducing the costs for new gas service installation for urban projects.

The Four Party Joint Service Installation was intended to benefit customers as a whole and improve overall efficiencies.

EXPANDING REGULATORY TRANSPARENCY AND ACCOUNTABILITY

Regulatory accountability and transparency are critical to regulatory modernization. Without it, government rules and regulations may seem arbitrary, which could erode business confidence in government and deter growth. Some initiatives that the government has implemented to enhance regulatoryaccountability include the following:

SaskBuilds

The Priority Saskatchewan Procurement Transformation Action Plan

The Action Plan will ensure Saskatchewan businesses bidding on provincial government and Crown sector contracts compete in a fair, open and transparent environment.

The Priority Saskatchewan Procurement Transformation Action Plan includes these specific initiatives:

Initiative	Outcome
Employee Procurement Code of Conduct	Eliminates any ambiguity for private sector concerning public servant roles and responsibilities.
Consistent application of best value as the basis of government procurement	More strategic basis for awarding contracts.
Vendor Performance Evaluation	A consistent evaluation model to evaluate vendors across government and the Crown corporations.
Multi-staged and outcomes-based procurement	For large and complex projects, a two-stage procurement process will be used to generate a shortlist. Only the shortlisted vendors will need to complete the detailed submission process. This will save a number of businesses time and money.
Crown corporations to maximize all opportunities available within the Agreement on Internal Trade (AIT)	Eliminates any ambiguity about trade agreement application.
Address the knowledge gap	Create a virtual centre of excellence to support employee procurement training. Enhance vendor knowledge to ensure clear understanding of procurement process and objectives, and tools to increase bidding success.
Collaborative capital forecasting	Government will lead a more co-ordinated joint planning approach with Crown corporations and the broader government sector (municipalities, academia, schools and hospitals).
Enhance the SaskTenders portal	Provide the private sector with a single window for all government, Crown corporations and potentially broader public sector procurement. The site will be enhanced to support electronic submissions.
Common Procurement Templates	Improved templates with consistent and simplified language across government and the Crown corporations.
Formal Debrief Process	A standard debrief model where both sides can learn from the experience leading to greater future success.
Corporate Citizenship in procurement	Reward vendors that are good corporate citizens.
Conflict of Interest for former government employees	Ensure fairness by building on the existing Employee Code of Conduct to create a policy that provides clarity regarding former employees (who recently left) the public sector and pursue public contracts.
Define 'Saskatchewan Business'	Defining this term will improve the accuracy of procurement data.

SaskEnergy

Sask 1st Call Safety Patrols

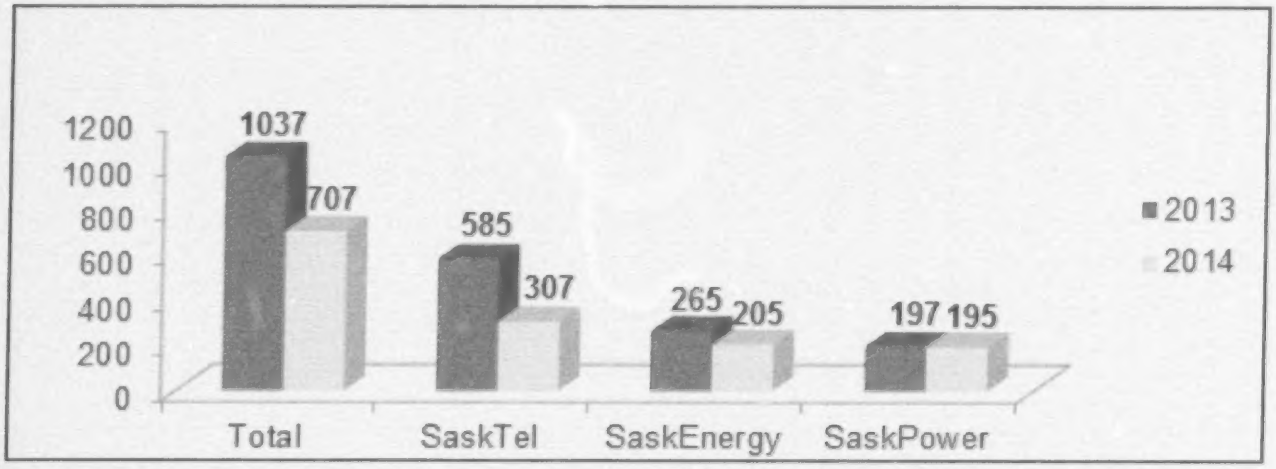
In 2013, Saskatchewan's utility Crown corporations – SaskEnergy, SaskPower and SaskTel – collectively responded to over 1,000 contacts made to their underground facilities. This resulted in an estimated $10 million in combined damage repair costs and loss in productivity, along with potential for injury or loss of life.

To address these concerns, the three Crown corporations partnered with Sask 1st Call and the Saskatchewan Common Ground Alliance (SCGA) to design and implement an enhanced damage prevention program for the 2014 construction season. The focus of the program was to reduce infrastructure damage and minimize risk to the public and excavators.

Overall, the feedback for both Sask 1st Call and the new Safety Patrol program was extremely positive. The direct, face-to-face contact encouraged two-way dialogue with the digging community, and identified some concerns that proved valuable for Sask 1st Call, SCGA and the utility Crown corporations.

The program, together with other damage prevention initiatives, contributed to a consistent reduction in third-party line hit damage. In 2014, SaskEnergy saw 60 fewer line hit incidents compared to 2013, a reduction of 23 per cent. Damage statistics were relatively unchanged from January to April 2014, compared to the same period in 2013, but once the Safety Patrols began, SaskEnergy records show six straight months of reduced damage compared to 2013. The majority of the observed damage reduction occurred in the areas covered by the Safety Patrols.

Safety Patrols - Facility Damage Reduction



Source: SaskEnergy

Workers' Compensation Board

The Workers' Compensation Exclusion Regulations, 2014

Traditionally, professors, associate professors, assistant professors, lecturers, special lecturers or instructors employed by a university or an affiliated or federated college of a university were excluded from workers' compensation coverage. However, a previous amendment to the Exclusion Regulations whose purpose was to ensure coverage for substitute teachers resulted in the aforementioned groups being inadvertently covered. The Exclusion Regulations were amended to ensure that those persons would continue to be excluded from workers' compensation coverage.

EXPANDING ONLINE TOOLS AND SOLUTIONS

The Internet has revolutionized the way businesses operate and interact with government. It has allowed government to improve regulatory services by providing better access to information, making it easier to pay taxes and fees, and reducing the wait times for approvals and permits. Some initiatives that government has implemented to further expand online regulatory tools and solutions include the following:

Ministry of Agriculture

CropConnect

CropConnect was redesigned and launched in February 2014 for the 2014 crop year. The new CropConnect site provides functionality for customers to independently complete most Crop Insurance transactions, including registering and tracking claims and printing Crop Insurance documents suitable for Advance Payment Program applications or AgriStability reporting. Customers are offered flexible access to the site through computers, smartphones and tablets.

Statistics show that the CropConnect system has greatly enhanced the customer's ability to complete their insurance requirements at any time of the day they wish:

- In 2014-15, 6.6 per cent of all endorsement changes were completed by customers in the CropConnect system along with 5.2 per cent of all land changes.
- As of April 1, 2015, 3,702 customers have activated a CropConnect account, which represents 17.9 per cent of total customers.

Electronic Referral of Applications under The Agricultural Operations Act

Applications submitted for approval under *The Agricultural Operations Act* are referred to other agencies, including rural municipalities, for feedback on the application and potential for impact to water resources. The number of referral agencies varies with the size of the project and proximity of certain stakeholders.

The electronic submission of the application and subsequent referral reduces the need and cost to the client for printed applications and removes the need to request extra copies that may or may not be required for agencies and stakeholders not identified before the application is submitted. Referral responses are more easily tracked.

The electronic referral shortens the time for the referral to reach the intended agency and allows the agency to share the application with multiple individuals who may be able to provide valuable feedback or have specific expertise.

However, due to the digital size of the application documents, emailing them is not practical. Staff developed procedures to utilize the Government of Saskatchewan's File Transfer Protocol (FTP) website to advise multiple referral recipient agencies simultaneously of the request for review and comment. The FTP site directs the email to the agency with a direct link to the files they require.

This process has reduced the number of print copies that the producer is required to submit (from 12 to three depending on the project), thereby reducing the client cost.

The process has simplified staffing requirements and reduced the need for mail outs (and sometimes reproduction of application or related information). The referral is not held up by mail service or waiting to send the referral and receiving

the response. The process has reduced the number of unused applications often required to ensure all the appropriate agencies and stakeholders have opportunity to comment. The process also allows the referral agency to share the application concurrently with multiple individuals, reducing the time required to prepare a response.

Ministry of the Economy

Saskatchewan Oil Well Levy

As part of ongoing work to streamline the licensing, regulation and monitoring processes in the oil and gas sector, Saskatchewan's oil levy will eliminate 10 different licensing fees that account for more than 20,000 annual transactions.

This initiative is providing a sustainable funding model for regulatory services that keeps pace with the growth of the industry. Amendments to the levy Act will help eliminate unnecessary paperwork in the regulatory process—moving to a single-window, online system that co-ordinates the approvals required from different ministries.

The levy will require industry to pay 90 per cent of regulatory oversight costs, which represents a 60 per cent increase over existing funding levels. This brings Saskatchewan in line with Alberta and British Columbia where similar levies require industry to cover 100 per cent of regulatory costs. Industry's overall funding obligation remains at or below the levels in comparable jurisdictions.

The increased revenue will allow for enhanced regulatory monitoring and enforcement as well as improved licensing services. Anticipated service improvements for 2015-16 include:

- The Enhanced Production Audit Program, which will strengthen compliance enforcement by updating measurement and reporting requirements; and
- Support for implementation of the Integrated Resource Information System (IRIS) to ensure the transition to this new system is successful, that opportunities for continued improvement are identified and that development efforts are ongoing.

Saskatchewan Liquor and Gaming Authority (SLGA)

Improved Credit/Debit Functionality

Customers were experiencing credit/debit card transactions that were taking longer to process in SLGA stores than in most other retailers. SLGA implemented credit card "tap" functionality and implemented efficiencies to increase the speed of credit/debit transactions, resulting in faster processing, shorter customer lines and improved customer service.

REGULATORY STREAMLINING

In an increasingly globalized marketplace, Saskatchewan businesses operate across domestic, national and international borders in an ever-growing frequency. Regulations that are out of step with other jurisdictions can be frustrating to businesses that must comply with multiple sets of regulations. The Government of Saskatchewan is working to streamline regulations with other jurisdictions in order to facilitate the movement of goods and services across borders with fewer burdens to the provider or consumer. The following initiatives have been implemented to increase regulatory harmonization to facilitate the flow of goods and services across the province and into neighbouring markets:

Ministry of Advanced Education

The Private Vocational Schools Regulations, 2014

The Private Vocational Schools Regulations, 1995 were 19 years old and required updating to ensure they are relevant to the socio-economic environment in which private vocational schools (PVS) currently operate.

The Private Vocational Schools Regulations, 1995 were repealed and replaced with *The Private Vocational Schools Regulations, 2014* (effective November 20, 2014). The most significant changes to these regulations are in regard to the financial security provisions and to the Training Completions Fund. More specifically, the new regulations have changed the method for determining the amount of financial security school operators must post from the current method,

based on enrolment, to a new method based on annual tuition revenue. The new regulations have also increased the maximum security requirement to $75,000, up from the previous $50,000. A new provision allows operators to post security in the form of a trust or an irrevocable letter of credit in some circumstances. This is consistent with the security provisions in *The Degree Authorization Regulations*.

The new regulations have also simplified the method for determining the annual contributions operators make to the Training Completions Fund from the current formula that considers enrolment, average tuition fees and the length of time a school has been in operation, to one based on a percentage of annual tuition revenue. Furthermore, the new regulations have introduced a minimum annual contribution to the fund of $500, and a one-time $2,000 contribution from newly registered schools. The regulations also introduced a 0.25 per cent of tuition revenue surcharge that will be assessed in the year following any year in which there is a draw on the fund. Taken together, these measures will ensure the long-term viability of the Training Completions Fund.

To reduce the burden for operators, the changes to the Training Completions Fund and the security requirements will be phased in over a period of five years and three years, respectively.

Other provisions within the new regulations will:

- Eliminate the requirement for school operators to have all advertising approved by the Minister;
- Extend the deadline for financial reporting from 90 to 120 days after fiscal year end;
- Increase the amount a school may charge as a registration fee from $75 to $250, which will be phased in over three years, and make it non-refundable;
- Simplify the method by which a school discontinues a chronically absent student from his or her program;
- Change the definition of a vocational training program to stipulate a minimum duration of 50 hours and minimum tuition of $1,000;
- Change the registration year from September 1 through August 31 to July 1 through June 30 to better align with the annual student loans cycle; and
- Remove some unnecessary forms and update the required forms.

The updated regulations will:

- Increase protection for private vocational school students;
- Ensure the regulatory framework for private vocational schools is appropriate for the current socio-economic environment;
- Reduce red tape and regulatory burden for operators; and
- Increase regulatory efficiency.

Ministry of Agriculture

Ongoing review of regulations under The Agri-Food Act, 2004

The Agri-Food Council is undertaking a review of all regulations of agencies that fall under the Act. The goal is to streamline regulations, making them more consistent wherever possible, across agencies. In the past year, the following regulations, which fall under the *Agri-Food Act*, were reviewed:

- *The Pork Industry Development Plan Amendment Regulations, 2014;*
- *The Canola Development Plan Amendment Regulations, 2014;*
- *The Winter Cereals Development Plan Amendment Regulations, 2014;*
- *The Flax Development Plan Regulations;*
- *The Forage Seed Development Plan Amendment Regulations, 2015; and*
- *The Alfalfa Seed Development Plan Amendment Regulations, 2015.*

The Saskatchewan Pulse Growers (SPG) found the process for conducting director elections was costly and inefficient. SPG identified that electronic elections could make voting more effective and less costly; however, the *Saskatchewan Pulse Crop Development Regulations* stated that elections must be done by paper ballot that is mailed to producers.

Agriculture staff worked with SPG to update their regulations, allowing for more flexibility with how director elections were conducted. SPG has begun holding electronic elections, saving costs associated with physically mailing out ballots and other election information. They also retain the option to use paper ballots if they chose, or if producers request them.

By promoting the uniformity and streamlining of regulations under the Act, it will save time and money and allow the agencies to be more effective and efficient. Ultimately, the regulations will help the agencies, boards and commissions better serve the province's producers.

The Saskatchewan Crop Insurance Corporation Regulations

In 2014-15, there were over 21,000 producers insured under the Crop Insurance Program who would directly benefit from having modernized and updated regulations. The Crop Insurance Regulations, which were first enacted in 1984, were amended 31 times and in need of extensive revision to better address the changes to programming and the needs of clients. The new regulations are less cumbersome, the wording has been streamlined and the numbering of sections simplified, making them more user friendly.

Gopher Control Program

The Gopher Control Program was previously authorized and administered by regulations under *The Farm Financial Stability Act*. As the program was offered on an annual basis, it was necessary to pass regulations each year from 2008 to 2013 to carry out the program. In 2014, the ministry put forward a proposal to create this program through policy under the authority of section 16 of *The Executive Government Administration Act* (formerly section 18 of *The Government Organization Act*).

Administration of the program through policy rather than regulation has meant greater flexibility and cost savings to government.

Ministry of the Economy

Implementation of the Red Tape Reduction Action Plan (the Plan)

The implementation of the Plan by all ministries, Crown corporations and agencies will bring benefits to all industries in Saskatchewan. The Plan is applied to all business-related regulations currently enforced in Saskatchewan.

The implementation of the Plan helps fulfill the objectives in the Saskatchewan Plan for Growth, specifically:

- The review of regulations for impacts and costs; and
- Reducing red tape that creates barriers for growth.

There are three main components that describe the uniqueness of the Plan. These are:

1. The complete review of all business-related regulations at a minimum once every 10 years.
2. A revised regulatory impact assessment process when creating or amending regulations to ensure every regulatory proposal contains the information required to understand the impacts, benefits and costs associated with the regulation.
3. The creation of the Regulatory Information Database, a central repository for all regulation-related information, to allow ministries, agencies and Crown corporations to manage their regulatory review and regulatory change workload.

Since the Plan was approved for implementation, training sessions have been provided to 214 staff from ministries, agencies and Crown corporations on the policies and processes to implement the Plan.

Central to the Plan for achieving more effective and efficient regulations is minimizing the cost of compliance burdening stakeholders. To do so, it's important to identify where regulatory burden exists in order to reduce it. The Regulatory Cost Model (RCM) is the tool created to assist ministries, agencies and Crown corporations in estimating the direct costs to impacted stakeholders imposed by a regulation. The model focuses on activities and time that must be undertaken in order to comply with regulation so that these estimated costs can be weighed against the benefits of requiring the regulatory compliance.

While the model is an estimate, it provides a reasonable representation for government to estimate costs associated with regulatory options. Government can now determine the best regulatory alternative at the least possible cost to stakeholders, which will lead to a quantifiable reduction in the cost of red tape.

To test the Regulatory Cost Model, changes brought forward by SGI under *The Vehicle Inspection Regulations* were piloted in the model and are expected to yield cost savings for impacted stakeholders of $1.6 million in the next five years. For more information on this regulatory initiative, please refer to Saskatchewan Government Insurance's submission in the annual report.

The identification of costs when considering a new regulation or regulatory change will become mandatory starting in 2015-16.

Ministry of Environment

The Fisheries Amendment Regulations, 2015

The confirmation of zebra mussels in Lake Winnipeg in October 2013 caused the ministry to develop a response plan, given Saskatchewan's proximity to the threat. A review of the legislation revealed an inability for compliance staff to issue orders to quarantine and dispose of aquatic invasive species in an effective manner.

Asian carp are also considered to be a highly aquatic invasive species and can survive in Saskatchewan's waters if accidentally or intentionally released in them. This can affect our native aquatic species populations either through displacement, predation, competition or destruction of their habitat.

To support field staff with the ability to properly address aquatic invasive species found in the province, officers were provided with the authority to issue quarantine and disposal orders to those individuals who are found to be transporting aquatic invasive species. Highly invasive Asian carp species were added to the list of prohibited fish species in Saskatchewan.

The administrative and consequential amendments to the regulation will bring increased clarity and consistency for anglers, compliance staff and the automated Hunting, Angling and Trapping licence system.

The Forest Resources Management Act

Several regulatory burdens were removed including:

- Exempting persons from having to obtain a licence when harvesting berries, fruits, renewable parts of plants and mushrooms for sale or barter, as long as the plant is not damaged. Much of the berry, fruit and mushroom harvesting activities have little impact on the forest other than from trash left at campsites, which can be dealt with through other legislation. The ministry retains the authority to stop damage when it is occurring. The change recognizes the significance of the berry and mushroom industries to local economies and eliminates the requirement to obtain a permit.
- Providing the option to approve operating plans for a period of two years or more if the plans are submitted by a registered forestry professional.
- Providing a licensing exemption to an agricultural lease holder clearing the timber on their lease for the production of cereal or other seed or forage crops where there is no commercial interest in utilizing the timber. The requirement to obtain a licence is retained if the timber is to be manufactured into products or is removed from the land on which it was harvested. The change ensures that the exemption does not apply to lands designated pursuant to *The Wildlife Habitat Protection Act*.
- Repealing the licensing requirement for facilities processing Crown forest products. The facilities are regulated under other provincial environmental legislation including *The Environmental Management and Protection Act, 2002* and the Saskatchewan Environmental Code. Operators of a facility processing forest products will still be required to keep records and make them available to auditors and forestry officers for inspection.

- Reducing the administrative burden of forest licence holders required preparing forest management plans. The amendment provides that the approval of a forest management plan that complies with the requirements set out in *The Environmental Assessment Act* is deemed to be an approval under that Act. The completion of an environmental assessment is not required.

The Forest Resources Management Regulations

Forest royalty rates were in need of updating to remain competitive with other provinces and to reflect changing forestry markets.

Saskatchewan's previous base timber royalty dues rates were established in 1996 and only one base softwood timber rate was tied to market prices.

The new dues system is more market-based and replaced five different systems that were established in the four forest management agreements and *The Forest Resources Management Regulations.*

Ministry of Government Relations

Some of the responsibilities of the Ministry of Government Relations had been contained in four outdated department Acts:

- *The Department of Urban Affairs Act;*
- *The Department of Rural Development Act;*
- *The Rural Development Act; and*
- *The Northern Affairs Act.*

Each of the four former department Acts was written at a time when there were separate urban, rural and northern departments. These departments no longer exist, and have not existed for some time. These department Acts do not reflect updated executive government legislation, nor do they reflect current roles, responsibilities and authorities related to the ministry's Public Safety, First Nations and Métis Relations, Northern and Municipal Affairs mandates and stakeholders.

The Government Relations Administration Act consolidates authority from and repeals the four outdated former department Acts, creating a single new Act for the ministry. The Act will be more consistent with the ministry's current mandate and functions, which now includes Public Safety, First Nations and Métis Relations, Northern Affairs and Municipal Affairs.

The Act retains provisions relating to current ministerial powers and ministry programs and services, while other provisions that either no longer reflect or are no longer part of the ministry's mandate have been removed.

The new Act and repeal of the four former department Acts retains powers and duties that are required today to provide specific programs and services, and ensures they are inclusive of all types of communities, local governments, First Nations and Métis organizations and business/industry in northern Saskatchewan.

Saskatchewan Government Insurance (SGI)

The Vehicle Inspection Regulations

Previously, all vehicles being registered in Saskatchewan for the first time required a vehicle inspection to ensure they met the appropriate safety standards. Now, an exemption is available in certain circumstances for people moving between Saskatchewan, Alberta and British Columbia. They can get an inspection exemption and register their vehicle right away if the vehicle is not a rebuilt vehicle and is either less than four years old or has been inspected within the last 90 days at a designated inspection facility.

These changes make it easier, faster and less costly for many workers and their families to move to where the jobs are, while ensuring that unsafe vehicles are repaired or taken off the road. This, in turn, keeps roads safer and helps keep insurance rates down.

SaskEnergy

Master Road Crossing Agreement

TransGas developed the Master Road Crossing Agreement, which provides a framework arrangement for all existing TransGas pipelines and any new pipelines that TransGas constructs within municipal boundaries. This agreement allows Rural Municipalities (RMs) to upgrade road infrastructure with TransGas being responsible for a majority of the financial burden in several scenarios. In return, the agreement permits a faster approval process that helps TransGas meet project deadlines for new pipelines.

TransGas continues to be responsible for meeting national standards for safely designing and installing these crossings. TransGas created this contract to help address the concerns of RMs affected by SaskEnergy pipelines. This new agreement provides a framework for all existing pipelines, and it also includes any new pipelines TransGas constructs within RM boundaries.

The agreement has been received positively by a number of RM administrations. So far, 84 RMs have opted to sign the agreement.

Saskatchewan Water Security Agency (WSA)

The Waterworks and Sewage Works Regulations

The Waterworks and Sewage Works Regulations were passed in November 2014 and will come into force in June 2015 following proclamation of *The Environmental Management and Protection Act, 2010*. These regulations enable the WSA to deliver federal requirements for wastewater effluent under the new federal *Wastewater System Effluent Regulations* (WSER) (*Fisheries Act*) through an administration agreement with Environment Canada.

The federal regulations were developed to reduce the release of toxic substances in waterbodies frequented by fish and thereby also increase the protection of Canada's water quality, aquatic species and aquatic ecosystems, and the safety for aquatic recreational activities. This produces significant benefit for Saskatchewan and Saskatchewan municipalities by avoiding two regulatory bodies (provincial and federal) for the same work.

SUPPORTING THE ADOPTION OF A FLEXIBLE AND MODERN REGULATORY FRAMEWORK

Governments have traditionally relied on prescriptive, command-and-control regulations to mitigate potential harmful actions or consequences. However, modern and flexible regulatory approaches supported by technology and greater access to information are being utilized to achieve social, economic and environmental objectives in a more effective and efficient manner. Allowing for more flexibility will stimulate innovation of new ideas and processes to achieve regulatory compliance, and help businesses to capitalize on their competitive advantages to grow and expand. The following initiatives have been implemented to support the adoption of a flexible and modern regulatory framework:

Ministry of the Economy

The Subsurface Mineral Disposition Regulations (SMR), 1960

The SMR 1960 were adopted in September 1960 during the early days of the Saskatchewan potash industry. Although these regulations successfully guided the development of the industry, it became apparent during the recent expansion of the potash industry that the regulations were out of date in a number of critical areas. Issues included:

- An inefficient method for allocating highly valuable Crown potash rights based on the first-in-time application system;
- Out-of-date work requirements that no longer reflected the true cost of exploring for and developing a potash mine;
- Leasing rules that were no longer consistent with the needs of large scale mining projects whose investment horizons extended beyond 20 years; and

- The over-reliance on special agreements approved by Order in Council to remove impediments to investment in new potash mine development.

In September 2013, the Ministry of the Economy released a Notice of Proposed Regulatory Change (NPRC), which set out 44 specific proposals to strengthen the system of issuing and administering subsurface mineral permits and leases. These proposals were based on discussions with industry and individual companies, which occurred after the most recent expansion phase of the industry that began in 2005. From a red tape perspective, the major changes include:

- Eliminating arbitrary land relinquishment rules during the initial term of a lease in favour of a system where the land requirements of a project are determined at the time of lease renewal;
- Eliminating the upper limit requirements for lease size in favour of a system that ties lease size directly to the nameplate capacity of a mine constructed within the lease block;
- Providing legal certainty to the terms of lease renewal after 21 years as a means of supporting investment plans for companies that may extend over 50 years;
- Establishing a new tendering system for permits that provides new entrants and existing producers a fair opportunity to compete for new permit blocks;
- Providing the Minister greater control to ensure that lands included in a permit are sufficient to support exploration and development;
- Eliminating ministerial discretion in a number of critical areas in favour of clear regulatory terms that provide investment certainty to industry on the rules governing permit and lease administration;
- Expanding the definition of eligible work expenditures for meeting permit requirements to give industry greater discretion on their investment decisions during the permit term;
- Modernizing confidentiality rules for potash well data and cores to allow the potash industry and the research community more timely access to geoscience data; and
- Providing regulatory capacity to adopt electronic systems for issuing and administering leases and permits.

Ministry of Education

The Conseil scolaire fransaskois Election Regulations

The regulations were not in line with provisions identified in *The Local Government Election Act* and other jurisdictions throughout Canada. The regulations were amended to ensure the requirements were in line with other jurisdictions and that the regulations were made available in a bilingual format.

- *The Conseil scolaire fransaskois Election Regulations* are pursuant to *The Education Act, 1995*, which outline the voting rights and election processes for the Conseil scolaire fransaskois (Francophone Board of Education) and the Conseils d'ecole (Local Board of Trustees).
- These regulations are bilingual to ensure francophone stakeholders are able to understand and interpret the legislation to ensure the election process is provided in a clear and transparent manner.
- These regulations were amended to bring the requirements in line with provisions identified in *The Local Government Election Act* and other jurisdictions throughout Canada. Provisions being amended included: lengthening the term of office from three to four years; voter identification and proof of residence requirements; and housekeeping amendments to ensure accuracy, accountability and transparency in the election process.
- These regulations were filed with the Registrar of Regulations on February 26, 2015.

Ministry of Environment

Proclamation of The Conservation Easements Amendment Act, 2010

It was difficult for conservation easement holders and grantors to make changes to existing easements in an efficient and cost-effective fashion.

The Act was amended to allow the voluntary easement holder and grantor to amend the easement if both parties agreed. Further, there is now the ability to seek a court-ordered injunction to stop unauthorized activity on lands subject to a conservation easement.

Additionally, the Act was amended to create a new type of easement called a Crown conservation easement. This type of easement is not voluntary and can only be placed upon Crown land prior to sale. It is retained in perpetuity after sale and was designed to ensure protection of ecological values, while allowing for compatible activities, such as grazing, on privately held lands. This innovative legislation is fundamental to the Southern Conservation Land Management Strategy.

The Environmental Management and Protection Act, 2010

- *The Environmental Management and Protection (Saskatchewan Environmental Code Adoption) Regulations*
- *The Environmental Management and Protection (General) Regulations*

Saskatchewan's growing economy has put a heavy demand on regulatory resources, which has in turn led to increasing complaints about the timeliness and consistent application of environmental regulations. The existing environmental regulatory regime relies heavily on permits regardless of the risk. The advancement of science and technology, together with the growth of our economy prompted the ministry to reassess its environmental regulatory framework.

Implementation of a results-based regulatory (RBR) model shifts attention to higher-risk activities to better use the resources of government and industry. RBR focuses on results, client-centred service, fostering innovation, and enhancing environmental protection and resource management. The ministry modernized and streamlined the Act, developed an environmental code and fostered the use of qualified persons and innovative environmental solutions. The ministry also embarked on extensive organizational changes.

Business processes were leaned, online services were introduced and a client service office was created. Improved stakeholder access to information and working groups of private and public interests were established as policy development partners. The model establishes clear performance expectations while eliminating ineffectual scrutiny and attention to process, especially for routine, well-understood and low-risk activities. It allows government resources to be focused on the monitoring and compliance of activities that pose a higher risk to the environment and to human health and safety.

The core principles that govern implementation of the results-based legislative framework include core standards that help operators improve and provide an incentive for improvement to environmental management; legal authority and enforcement capability to hold operators and industry accountable for meeting the standards; transparency in all processes and information; and competent, innovative and responsive regulatory systems that are continuously improved and updated to the changing economy and environmental priorities.

The Act establishes auditing processes to objectively evaluate, document and report on the performance of operations to ensure compliance. The goal is to provide a basis for assessing and improving environmental management and to identify and resolve public safety and environmental issues before they become problems, hazards or risks. Activities will be audited based on their potential to cause an adverse effect, compliance history, public safety and environmental performance.

The aim is to decouple responsibilities for compliance (industry, developers and proponents) and enforcement (government) by clearly defining the desired environmental outcome and making the operators accountable to provide that result. The emphasis is on meeting environmental goals and targets and on enabling firms to maintain compliance. *The Environmental Management and Protection Act, 2010* consolidates similar pieces of legislation (*The Environmental Management and Protection Act, 2002*; *The Clean Air Act*; *The Litter Control Act* and *The State of the Environment Report Act*) into a single Act to significantly reduce duplication and establish a results-based regulatory framework that will:

- Modernize the provincial air quality management program;
- Establish environmental auditing processes;
- Enhance environmentally impacted (contaminated) sites management;
- Clarify and expand requirements for financial assurance for decommissioning and reclamation of industrial and commercial operations;
- Reduce permitting requirements;
- Expand requirements for qualified persons;
- Authorize the ministry to establish the Saskatchewan Environmental Code;
- Enhance drinking water and wastewater programs;
- Modernize litter and beverage containers programs;
- Improve public reporting; and
- Authorize the ministry to create a revolving fund, if and when necessary, to assist in the cleanup of environmentally impacted (contaminated) orphan sites.

Members of the Code Development Committee said:

"The code has turned the traditional method of regulation development on its head," said Wayne Clifton, Code Development Committee Chair and President of Clifton and Associates Ltd. "By starting at the working level, technical groups developed the regulation by consensus, with oversight from a group that included a wide variety of perspectives. The process took time, but it produced excellent results of which we should all be very proud."

"One significant advantage of the code is that it may be updated without the need for new regulations," said Len Andrychuk, partner at MacPherson Leslie & Tyerman and a member of the Code Development Committee. "It can operate as a living document that can be continuously improved and updated to keep up with the changing economy and developments in environmental protection, which is in itself a fundamental change."

"The sections of the environmental code announced today will provide an opportunity to test the viability of this approach to regulation," said Ann Coxworth, Research Advisor with the Saskatchewan Environmental Society and member of the Code Development Committee. "It is my hope that the code will be an effective tool for environmental protection, provided the necessary commitment and goodwill is shown on all sides."

Proclamation of The Wildlife Habitat Protection Amendment Act, 2010 and passing of The Wildlife Habitat and Ecological Lands Designation Regulations

Previously, designated lands were listed in an appendix to the Act and in a regulation designating new lands. When lands were deregulated, they were either withdrawn from the appendix through an amendment to the Act or added to a regulation specifically withdrawing lands for First Nation Treaty Land Entitlement claims. As such, the process to add or remove lands was cumbersome, and there was potential for confusion about whether lands were actually designated, as the Act and two regulations had to be checked or changed.

The legislation was amended to remove land listed under the Act and repeal the other two regulations, and a new set of regulations was developed that consolidated the listing of designated lands. As such, all designated lands are now listed in one location. The new provisions also increased the penalty provisions for individuals and corporations that are found guilty of contraventions under the Act.

The revisions included a consequential amendment to *The Natural Resources Act* to designate a portion of the proceeds of the sale of designated lands to the Fish and Wildlife Development Fund to be used for further conservation and habitat enhancement purposes.

The amendments provide more efficient administration of *The Wildlife Habitat Protection Act* (WHPA) lands through expedient movement of lands into and out of designation, and the increased penalty provisions act as a stronger deterrent to contravening the Act.

The Wildfire Act and The Wildfire Regulations

The Prairie and Forest Fires Act, 1982 was one of the oldest pieces of wildfire legislation in Canada. The Act had not kept pace with current issues and policies, and was inefficient when implementing protective measures such as fire bans. The Act required a complete rewrite to align with the ministry's results-based regulatory initiative.

The new legislation has updated terminology and clarifies responsibility for wildfire, liability for causing fires and ministry liability. The new legislation is based on the principle that responsibility and accountability for reducing the likelihood and consequence of wildfire is appropriately shared by government, individuals, industry and municipal authorities.

The legislation aligns with the goals of the Saskatchewan Plan for Growth by supporting safe development on Crown forest lands. It will provide additional protection and security for industry and residents, and improve the protection of infrastructure and the province's natural resources.

The new legislation is aligned with other Canadian provincial wildfire legislation, and provides more flexibility for stakeholders such as mining and exploration, oil and gas, public utilities, forestry, peat moss, railway, outfitting, road construction and institutional camps, while continuing to enable government protection of communities, property, infrastructure and resources from wildfires.

The legislation emphasizes improved prevention and preparedness measures for the general public in their use of fire, reduces government administration by moving from a burning permit system to a burn notification system and administers industrial and commercial operations under a results-based regulatory framework.

The new legislation includes four key subject areas that represent either a significant shift from the former legislation or are new provisions:

- Increased focus on prevention measures when starting fires;
- Administering industrial and commercial operations under a results-based regulatory framework;
- Incorporating fire hazard mitigation measures related to building and subdivision planning, construction and vegetation management for any new development of a permanent nature on provincial Crown forest and designated park land; and
- Replacing the former burning permit system with a burn notification system to increase efficiency for the client and reduce government administration.

The new legislation has addressed issues such as:

- The ability to set the length of the wildfire season, depending on conditions;
- The transition to a new system of burn notifications reducing the number of notifications by 30 to 40 per cent, by replacing the current requirement for burning permits in and within 4.5 kilometres of the provincial forest;
- Additional flexibility for prevention and preparedness planning to better meet the safety and operational needs of forest businesses;
- Providing authority to determine how we assess damages to forest resources when dealing with offences under the Act; and
- Making offences, penalties and officers' powers consistent with current Saskatchewan environmental legislation.

Ministry of Government Relations

The Saskatchewan Royalty Tax Rebate Regulations

Oil and gas producers, both corporate and individual, who have paid Crown royalties to the Government of Saskatchewan are the stakeholders who previously benefited from these regulations.

The Royalty Tax Rebate Regulations provided an income tax credit to a payer of Saskatchewan oil and gas Crown royalties, either corporate or personal, in the amount of the difference between the value of full income tax deductibility and the federal Resource Allowance deduction. When the federal government restored full deductibility of provincial Crown royalties and eliminated the Resource Allowance in 2007, Saskatchewan provided a seven-year carry forward period for the use of any accrued and unused Royalty Tax Rebate credits. This carry forward period expired at the end of 2013; therefore, *The Saskatchewan Royalty Tax Rebate Regulations* are now outdated and redundant.

The Income Tax Amendment Act, 2014 will, among other things, formally repeal *The Saskatchewan Royalty Tax Rebate Regulations.*

The impact on taxpayers is expected to be virtually nil, as it is likely all unused Royalty Tax Rebate credits have been used up during the seven-year carry forward period that is now ended. Any remaining unused amounts would be very minimal.

The Electrical Fee Licensing Regulations and Gas Licensing Regulations

The Electrical Licensing Fees Regulations and *The Gas Licensing Fees Regulations* were last revised in 1992. Reviews of both regulations were undertaken in 2013 with gas, electrical and mechanical industry stakeholders to determine how the licensing system can better serve Saskatchewan industry and consumers.

The reviews determined there was unnecessary variation in fees between licence types, and the fees did not reflect cost increases in the market. Industry groups felt that a three-year licence rather than a five year licence would encourage practitioners to remain current with technology and industry standards, since the electrical and gas codes are updated on a three-year cycle.

The two regulations were amended to remove unnecessary variation between different licence types, align timeframes with code cycles, reflect technology and industry standards, and streamline the process for licensing. Fees were updated to generate a more efficient level of cost recovery for licensing and to bring fees closer to those charged in other jurisdictions, while remaining one of the most inexpensive systems in Canada.

In 2013, 8,073 electrical journeypersons, 1,405 electrical contractors, and 183 suppliers and employers were licensed to practice in Saskatchewan. In addition, 2,918 gas-fitter journeypersons, 995 gas-fitter contractors and 512 suppliers, employers and distributors of gas products and propane were licensed in Saskatchewan. The changes to the fee structures resulted in some contractors' and employers' fees not changing, some fees decreasing and some increasing. Overall, the changes properly align the respective fee structures to code cycles, industry standards and other jurisdictions with minimal impact in most cases.

The Municipalities Act and The Municipalities Regulations

Unique debt limits for smaller urban and rural municipalities

A municipality's "debt limit" is the amount it may borrow without approval of the Saskatchewan Municipal Board (SMB). Under *The Municipalities Act*, the debt limit is set as the amount (1.0 times) of a municipality's "own source revenues" for the preceding year. Borrowing beyond the limit or for longer than three years requires SMB approval.

In 2011-12, the ministry completed a review of the SMB committee that approves municipal debt and borrowing to identify possible improvements and ensure continued fit with government objectives. At about the same time, the Saskatchewan Urban Municipalities Association (SUMA) surveyed its members regarding borrowing and, in endorsing government's growth agenda, indicated changes to urban debt limits as an important factor to sustaining growth.

The results of the review of the SMB by the ministry and the survey of members conducted by SUMA indicated that some municipalities may require greater flexibility in debt limits, while many were content with operating within the legislated limit.

This provided the basis for amendments to *The Municipalities Act* in 2012-13 and 2013-14, providing for regulations to establish the circumstances and process by which urban and rural municipalities could seek (apply for) a unique debt limit from the SMB, similar to cities. This would allow full ability for urban and rural municipalities to borrow within the limit without SMB approval.

Amendments to *The Municipalities Regulations*, enacted in 2014-15, fully implement the changes to the Act and were developed in consultation with the SMB.

The regulatory amendments provide greater flexibility regarding borrowing and position municipalities to respond to growth opportunities and new federal infrastructure grant programs. At the same time, it also supports government objectives by maintaining SMB oversight of municipal debt and borrowing to protect ratepayers and ensure municipalities are capable of repaying their financial obligations. In addition, it does not change the current legislated debt limit for those municipalities that are able and wish to continue to operate within these limits.

Ministry of Labour Relations and Workplace Safety

Saskatchewan Employment Act

The Ministry of Labour Relations and Workplace Safety has completed the review of the regulations associated with the new *Saskatchewan Employment Act*. This review focused on those regulations required to give effect to the new Act:

- *The Assignment of Wages Regulations;*
- *The Labour Standards Regulations, 1995;*
- *The Minimum Wage Regulations;*
- *Conciliation Board Regulations;*
- *Regulations and forms, Labour Relations Board;*
- *Ministerial Regulations under Section 42 of The Trade Union Act, 1972;*
- *The Health Labour Relations Reorganization (Commissioner) Regulations;*
- *The Health Labour Relations Reorganization Regulations;* and
- *The Occupational Health and Safety Regulations, 1996.*

As a result of the review, the following regulations were amended (which included some name changes):

- *The Conditions of Employment Regulations;*
- *The Minimum Wage Regulations, 2014;*
- *The Employment Standards Regulations;*
- *The Occupational Health and Safety Regulations, 1996;*
- *The Occupational Health and Safety (Prime Contractor) Regulations;*
- *The Saskatchewan Employment (Labour Relations Board) Regulations;* and
- *The Labour Relations (Supervisory Employees) Regulations.*

Many of the regulations have not been substantively reviewed since the early 1990s and in other cases since the 1970s. As a result, the regulations do not take into consideration the modern workplace or provide the flexibility to address issues that may exist in the workplace of the future.

The majority of these regulations came into effect on April 29, 2014. *The Occupational Health and Safety (Prime Contractor) Regulations* came into effect on January 1, 2015, while *The Occupational Health and Safety Regulations, 1996* came into effect on May 20, 2014.

Saskatchewan Water Security Agency (WSA)

The Environmental Management and Protection (Saskatchewan Environmental Code Adoption) Regulations

The Environmental Management and Protection (Saskatchewan Environmental Code Adoption) Regulations were passed in November 2014 and will come into effect in June 2015 following proclamation of *The Environmental Management and Protection Act, 2010*. These regulations enable the Saskatchewan Environmental Code (Code), which includes two chapters administered by the Saskatchewan Water Security Agency (WSA): the Water Main Chapter and the Sewage Main Chapter. Both of these relate to construction of new mains in communities of more than 5,000 people.

The Code Chapters will reduce the wait time for communities applying for permits to construct water and sewer mains, moving from what is currently an average of two to three weeks to an automated process whereby the WSA is notified when a community is planning to use one of the identified "acceptable solutions." Notification will occur online as well, providing further efficiencies and client service.

BUILDING CAPACITY OF REGULATORY MODERNIZATION

New initiatives to build capacity for regulatory modernization are helping the provincial government meet its priorities of citizen-centred service, core business, simplification, public service renewal and an enterprise-wide approach. Greater capacity is being built by developing innovative ways to bring together the regulatory community at the municipal, provincial and federal levels for enhanced service delivery. Government has implemented the following initiatives to build capacity for regulatory modernization:

Ministry of the Economy

Supporting employers hiring foreign workers

The Immigration Services Branch introduced an innovative, client-centred approach for supporting Saskatchewan employers in recruiting foreign workers to Canada through federal and provincial regulatory processes. The branch serves as a liaison between employers and the immigration processes by:

- Educating employers on immigration programs and services, and informing employers on issues and processes related to recruitment of foreign skilled workers to reduce duplication of efforts and increase approval rates;
- Liaising with individual employers (face-to-face/ telephone/email) to determine labour market needs and identify the most effective, efficient, immigration-based solutions as required;
- Monitoring and reporting/interpreting changes to federal immigration programs and services needed to support Saskatchewan employers; and
- Streamlining the operations and strategic direction of online employer services to reduce the provincial processing time for employers from more than eight months to less than 10 days.

Ministry of Environment

The Wildlife Amendment Regulations, 2014

The Saskatchewan Outfitters Association has consistently expressed support for the concept of guided licences that are not based on residency. In 2012, in support of this request, the ministry created two new licence types: the guided white-tailed deer and guided bear licences. These licences are available to any outfitted client, thereby streamlining and simplifying the licensing structure. The Guided Canadian Resident Moose Licence and the Guided Non-resident Moose licence remain in place.

The ministry proposed an initiative to create a single moose licence for all guided moose hunters regardless of residency.

The proposal suggested the cost of the new guided moose licence remain the same as the non-resident moose licence. This proposal would increase the cost of a moose licence for Canadian-resident hunters. However, sales of this licence type were very low. This revenue initiative was approved and the new moose licence was announced in March of 2014 as part of the 'Government's Changes to Fees' press release.

Amendments contained in *The Wildlife Amendment Regulations, 2014 (No. 2)* enabled this change.

A second amendment in this package removed an existing compliance registration procedure that affected outfitters and their hunters in exporting big game animals. This regulatory streamlining initiative benefited outfitted hunters leaving Canada with their trophies. This amendment package supports the Saskatchewan Plan for Growth by increasing marketing opportunities for outfitters to attract more Canadian resident hunters by creating a Guided Moose Licence. This initiative was supported by the Red Tape Committee.

The ministry had received numerous inquiries related to the use of 'drones' or unmanned aircraft for hunting. An amendment clarified that the use of aircraft is unlawful for hunting regardless of whether the aircraft is manned or unmanned.

A further amendment addressed a safety concern by clarifying the definition of a loaded firearm to include a muzzleloader.

Ministry of Government Relations

The Subdivision Regulations, 2014

As they apply to every subdivision in the province, aside from those in the cities of Saskatoon and Regina, which have their own bylaws, the updated regulations affect all landowners, municipalities and developers involved in the land development process, and all of the provincial ministries and agencies to which the Community Planning Branch (CPB) refers applications. Adoption of the new regulations accomplished three major objectives:

1. Regulatory modernization, including:
    - Alignment with *The Planning and Development Act, 2007*;
    - Implementation of *The Statements of Provincial Interest Regulations;*
    - Alignment with standards used by other ministries and agencies; and
    - Lean adjustments that streamlined and simplified the regulations and removed outdated portions.
2. Efficiency improvements, including:
    - Revisions to the submission requirements for applications to subdivide land;
    - Provision for complete online application submissions in the future;
    - Clarification of ambiguous provisions such as the definition of the applicant and what constitutes a complete and final application;
    - Providing approving authorities with the ability to close inactive and incomplete files, which will allow resources to be focused on expediting and assisting complete files; and
    - Allowing entities declared under any other Act of Legislature, such as the Global Transportation Hub Authority, to serve as subdivision approving authorities.
3. A fee structure that will achieve near cost-recovery over a three year phase-in. Additional revenue as a result of the new fee structure is expected to bring in between $300,000 to $400,000 per year by 2016-17.

In 2014-15, CPB approved 1,239 subdivision applications totalling 2,859 new sites. The timeframes for processing these were as follows:

- From the date the application was received to the date it was approved, the CPB averaged 149 calendar days, or approximately 102 working days; and
- From the date the application is deemed complete to the date it was approved, the CPB averaged 23 calendar days or approximately 16 working days. This represents a 30 per cent reduction in processing time once the applicant submits all of the information necessary for the CPB to issue its decision.

Saskatchewan Government Insurance (SGI)

Implementing full reciprocity for International Registration Plan (IRP) carriers

Saskatchewan is a member of the International Registration Plan (IRP), a reciprocity agreement between Canada and the United States that allows commercial carriers to operate in other jurisdictions while paying the appropriate fees.

Previously, carriers had to estimate how much time they would be travelling in each jurisdiction and pay the assessed fees in advance. If the carrier's plans changed and they needed to travel in another jurisdiction, they would not only be required to complete another application to add the jurisdiction, but would also have to pay additional administration, registration fees and taxes. Instead of declaring each additional jurisdiction in advance, full reciprocity allows a carrier to travel into any of the 59 IRP jurisdictions throughout North America without amending their registration. To calculate fees, the carrier just reports on the actual travel in the previous year and pays the appropriate fees. This is more efficient for commercial carriers, SGI and other IRP administrators.

Conclusion

The Government of Saskatchewan is supporting Saskatchewan's business community in making our province one of the best places in Canada to live, work, raise a family, or to own a business. Saskatchewan has the lowest unemployment rate in Canada and an abundance of job opportunities. A strong economy helps provide an excellent quality of life for all Saskatchewan residents and helps ensure we can meet the challenges of growth in health care, housing, education and infrastructure.

Saskatchewan people expect services that are accessible, effective, efficient and sustainable. A smart regulatory system will help achieve these goals. As the Government of Saskatchewan moves ahead with regulatory modernization, it will continue to streamline processes and remove red tape barriers to ensure that regulatory requirements for business are easy to understand, simple and relevant. Best practices from around the world will continue to be monitored, ensuring Saskatchewan's regulatory practices are world class. Stakeholders will also continue to be engaged in regulatory change to ensure their needs and concerns are reflected in new and updated regulations.

Effective, efficient and relevant regulations will help keep Saskatchewan on the path of growth by attracting new investment here and encouraging business growth and innovation.

For More Information

Ministry of the Economy
Marketing and Communications
1000 – 2103 11th Avenue
Regina, SK S4P 3Z8
Tel: (306) 787-4765
Fax: (306) 787-8447